

Stefan C. Passantino, Esq. McKenna Long & Aldridge, LLP 1900 K Street, NW Washington, DC 20006

OCT 29 2015

RE: MUR 6894

Steve Russell for Congress and Robert Crookshank in his official capacity as

treasurer

Dear Mr. Passantino:

On October 30, 2014, the Federal Election Commission notified your clients, Steve Russell for Congress and its treasurer, of a complaint alleging violations of the Federal Election Campaign Act of 1971, as amended. On October 27, 2015, the Commission found, on the basis of the information in the complaint, and information provided by your clients, that there is no reason to believe that Steve Russell for Congress and Robert Crookshank in his official capacity as treasurer violated 52 U.S.C. § 30104(b). Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). The Factual and Legal Analysis, which explains the Commission's finding, is enclosed for your information.

If you have any questions, please contact Delbert K. Rigsby, the attorney assigned to this matter at (202) 694-1650.

Sincerely,

Mark Allen

Assistant General Counsel

Enclosure
Factual and Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS:

Steve Russell for Congress and

MUR 6894

Robert Crookshank in his official capacity as treasurer

This matter was generated by a complaint filed with the Federal Election Commission. The Complaint alleges that the principal campaign committee of Congressional candidate Steve Russell, Steve Russell for Congress ("Committee"), violated the Federal Election Campaign Act of 1971, as amended (the "Act"), by failing to disclose a media buy. The Committee denies the allegation. For the reasons discussed below, the Commission finds no reason to believe that the Committee violated 52 U.S.C. § 30104(b).

Steve Russell was a 2014 candidate for the U.S. House of Representatives in Oklahoma's Fifth Congressional District. In October 2014, Thompson Communications, Inc. ("TCI"), a media vendor of the Committee, purchased air time from two television stations to air Russell's campaign advertisements between October 15 and 26, 2014. The Complaint attaches copies of the publicly available purchase contracts between TCI and each station. The contracts each list the Committee as the advertiser and collectively charge TCI \$20,750.²

The Complaint alleges that the Committee violated the Act by failing to disclose this media buy as a disbursement or a debt. In response, the Committee explains that it hired TCI to produce and distribute advertising, incurred fees with TCI, paid TCI, and properly disclosed its payments to TCI on its disclosure reports.³ TCI, in turn, contracted separately with the stations and paid the stations for air time.

Compl. at 1 and Attach.

Of that amount, \$3,113 consists of agency commissions earned by TCI in connection with the media buy.

Resp. at 10. The Committee reported a number of payments to TCI in its disclosure reports, and three were for the purpose of "media buy" around the time of the scheduled October 2014 advertisements: \$41,973 on September 3, \$47,665 on October 20, and \$123,285 on November 3. *Id.*; see 2014 October Quarterly Report at 71 and 2014 Post-General Report at 40, 45, attached to Resp. at Exhs. 2-3. The Committee's response does not specify which of the reported disbursements to TCI are connected to the contracts at issue in this matter.

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The Act and Commission regulations require an authorized committee to report the name and address of each person to whom it makes expenditures or other disbursements aggregating more than \$200 per election cycle, as well as the date, amount, and purpose of such payments.⁴

Here, the available information shows that the alleged unreported disbursements were in fact reported to the Commission. The Committee disclosed payments it made directly to TCI for media and advertising services, including media buys to broadcast the Committee's

advertisements at issue in the Complaint. See 2014 October Quarterly Report at 71; 2014 Post-

General Report at 40, 45. Therefore, the Commission finds no reason to believe that the

9 Committee violated 52 U.S.C. § 30104(b).

⁵² U.S.C. § 30104(b)(5)(A), (6)(A); 11 C.F.R. § 104.3(b)(4)(i), (vi).